

MINUTES OF THE REGULAR MEETING

OF THE

COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

January 16, 2007

The Commissioners of the Chicago Housing Authority held its Regular Meeting on Tuesday, January 16, 2007, at 8:30 a.m. at Patrick Sullivan Apartments, 1633 West Madison, Chicago, Illinois.

Chairperson Nesbitt called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Martin Nesbitt Hallie Amey Earnest Gates Dr. Mildred Harris Bridget O'Keefe Carlos Ponce
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Absent:	Michael Ivers Sandra Young Mary Wiggins
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Also present were Sharon Gist Gilliam, Chief Executive Officer; Adrienne Minley, Chief of Staff; Jorge Cazares, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Sharon Gist Gilliam, Chief Executive Officer, then presented her monthly report. Per Ms. Gilliam, staff is looking forward to a great new year and continue to make positive changes that will improve the way the Authority does business. Ms. Gilliam then highlighted challenges expected through the year due to funding by HUD at 74.6% of need. The CEO requested the continuing support of the Commissioners, residents and private and business communities. Ms. Gilliam concluded her report by introducing the new General Counsel, Jorge Cazares. The public welcomed Mr. Cazares with warm applause.

The Chairperson then convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing portion of the meeting, a Motion was introduced and seconded to adjourn to Executive Session. The Chairperson announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters. At approximately 9:35 a.m. Commissioner Ivers joined the proceedings in session.

Chairman Nesbitt thereupon introduced the Resolutions discussed in Executive Session.

Commissioner Gates then presented an Omnibus Motion to approve resolutions for Executive Session Items 1 and 2.

Executive Session Item 1

RESOLUTION NO. 2007-CHA-1

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated January 3, 2007, requesting that the Board of Commissioners approves the Personnel Actions Report for December 2006.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the Personnel Actions Report for December 2006.

Executive Session Item 2

RESOLUTION NO. 2007-CHA-2

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 10, 2007, requesting authorization to accept the offer of the Chicago Transit Authority to purchase a parcel of land located at 116 W. Elm Street and submit an application to the U.S. Department of Housing and Urban Development for the disposition of said land.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners hereby authorizes the Chief Executive Officer, or her designee, to accept the offer of the Chicago Transit Authority to purchase a parcel of CHA-owned land located at 116 W. Elm Street for fair market value, subject to HUD approval of the disposition application.

THAT the Board of Commissioners hereby authorizes the Chief Executive Officer, or her designee, to submit an application to the U.S. Department of Housing and Urban Development for the disposition of a 250 square foot parcel located at 116 Elm Street.

The Motion to adopt resolutions for Executive Session Items 1 and 2 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Martin Nesbitt
Hallie Amey
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Bridget O'Keefe
Carlos Ponce

Nays: None

The Chairperson thereupon declared said Motion carried and said Resolutions adopted.

Commissioner O'Keefe, Chairperson of the Finance and Audit Committee then presented her monthly report. Per Commissioner O'Keefe, the Finance and Audit Committee Meeting was held on Wednesday, January 10, 2007 at the 626 Corporate Offices. The Chief Financial Officer and her staff presented the Committee with the Treasury and Cash Flow Report for the month of December 2006.

Commissioner O'Keefe then introduced an Omnibus Motion for the adoption of the Resolutions for Items A1 and A2 discussed, voted and recommended for Board approval by the Finance and Audit Committee.

(Item A1)

The resolution for Item A1 approves the restructuring of Equity Financing for City State Loomis Courts Limited Partnership and Lathrop Limited Partnership and also approves amending the Partnership and Development Agreements for both entities. The General Partner of each Partnership is structured as a single member limited liability company of which the CHA is the sole member. As part of the closing process, each General Partner and their respective Partnerships also entered into a Development Agreement in which the General Partner agreed to

perform certain services as developer of the Project in consideration of the payment of developer fees. The Partners of each Partnership have agreed to restructure the equity financing arrangements, by adjusting the timing and amounts of the equity payments. For Loomis Courts, construction overrun cost for the replacement of all of the original interior walls was incurred resulting in a budgetary shortfall. Under the proposed amendment, the total equity contribution will be increased by \$856,000, based on an increase in the Partnership's tax credit basis. In addition, the Limited Partner has agreed to advance \$400,750 of the developer fee to the General Partner, the proceeds of which will be loaned to the Partnership to reduce the construction shortfall. These additional funds, totaling \$1,256,750, will be payable in two additional equity installments. For Lathrop Elderly, the Partnership Agreement currently provides for the payment of three equity installments. Two of the installments have been paid; the third installment is payable on July 15, 2007, subject to any extensions. Under the proposed amendment, the total equity contribution will be reduced by \$33,000. However, the timing of the equity installments will be adjusted to reflect the current need for additional resources for construction at Loomis Courts, due to the change order. The Limited Partner has agreed to advance \$585,000 of the developer fee to the Lathrop General Partner, the proceeds of which will be loaned to the Loomis Partnership for construction costs at Loomis. This equity installment will be payable upon completion of the first building at Loomis.

RESOLUTION NO. 2007-CHA-3

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 8, 2006, requesting approval of the equity financing restructuring for C/S Loomis Courts Limited Partnership and C/S Lathrop Limited Partnership and authorization for Loomis Courts LLC and Lathrop Elderly LLC to amend the Partnership Agreement and Development Agreement and execute related documents required to consummate the transactions.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the equity financing restructuring for C/S Loomis Courts Limited Partnership and Lathrop Limited Partnership; and

THAT, the Board of Commissioners hereby authorizes Loomis Courts LLC and Lathrop Elderly LLC to amend their respective Partnership Agreements and Development Agreements and execute related documents required to consummate the transactions.

(Item A2)

The resolution for Item A2 approves a lease extension with J & J Real Estate Management to continue rental of the Housing Choice Voucher Program Satellite located at 1877 E. 71st Street, 1st Floor, Chicago Illinois. The approval of this extended Lease Agreement will commit the CHA to exercise the one additional year option to the current lease. The Total Base Rent for the one year term is \$25,958.40 or a monthly rental rate of \$2,163.20 plus any proportionate share of real estate taxes and operating expenses above the Total Base Rent. The CHA's satellite office has served families in this area by conducting workshops on Family Self Sufficiency (FSS), Choose to Own (CTO), the Mobility Program and landlord education. This site has also been used by CHA/CHAC staff to assist clients with paperwork, respond to inquiries from both tenants and landlords and refer families to supportive services on site. There will be staff available from CHAC, Inc., and the Service Connector Program which allows easy access to counselors and/or staff for assistance in various areas. This site has ample parking and easy access to public transportation to participants in the South Shore, Chesterfield, Chatham, Auburn Gresham areas of the Chicago Area.

RESOLUTION NO. 2007-CHA-4

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 8, 2007, entitled "Authorization to Enter into a Lease Extension Agreement for the Premises Located at 1877 East 71st Street, Chicago, Illinois 60649";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his Designee to enter into a Lease Extension Agreement with J & J Real Estate Management for a cumulative 1,800 square feet of office space for the

premises known as 1877 East 71st Street, Chicago, Illinois 60649. The approval of this Lease Agreement will commit the CHA to exercise the option for a one (1) additional year term lease at a Total Base Rent of \$25,958.40 plus any proportionate share of increased real estate taxes and operating expenses above the Total Base Rent.

The Omnibus Motion to adopt resolutions for Items A1 and A2 was seconded by Commissioner Harris and the voting were as follows:

Ayes: Martin Nesbitt
 Hallie Amey
 Earnest Gates
 Dr. Mildred Harris
 Michael Ivers
 Bridget O’Keefe (**Recused from voting on Item A1 only**)
 Carlos Ponce

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Finance & Audit Committee report was also accepted in total.

At approximately 9:54 a.m. Commissioner Harris left the proceedings in session.

Committee Chair Earnest Gates then presented his Operations and Facilities monthly report. Per Commissioner Gates, the Operations and Facilities Committee Meeting was held on Wednesday, November 15, 2006 at 1:30 p.m. at the 626 W. Jackson Corporate offices.

Commissioner Gates then introduced an Omnibus Motion for the adoption of the Resolutions for Items B1 and B2 discussed, voted and recommended for Board approval by the Operations and Facilities Committee.

(Item B1)

A Request for Proposal was released in December 2005 to design, construct, implement and manage a comprehensive cable, telephone and Internet Infrastructure for CHA’s senior and family properties. The RFP was mailed to twenty-one vendors and advertised in area newspapers. Of the three proposals received, only e-Tel’s proposal was deemed responsive. The proposed contract calls for e-Tel to facilitate the provision of bundled and unbundled services to residents of these properties over the newly erected fiber-optic infrastructure. To erect the underlying infrastructure, e-Tel shall bear and assume the costs of procuring and supplying the necessary fiber-optic transport routes to connect designated CHA sites into an integrated network topology using available public, utility or private rights of way and facilities. E-Tel is also required to secure and obtain all necessary franchise agreements or operating authorization from relevant federal, state or local regulatory authorities. Accordingly, the resolution for B1 approves award of contract to e-Tel for a base term of ten years with three five year extension options.

RESOLUTION NO. 2007-CHA-5

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated January 10, 2007, entitled “Recommendation to enter into contract for with e-Tel, LLC for the design, construction, implementation and management of a comprehensive cable, telephone & data network infrastructure, and the provision of related content management services for Family and Senior properties,”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, It is recommended that the Board of Commissioners authorize the Chief Executive Officer or her designee to enter into a contract with e-Tel, LLC to design, construct, implement and manage a comprehensive cable, telephone and Internet infrastructure and to provide content management services to CHA residents at Senior and Family properties, subject to further discussion regarding customer protection against excessive rate increases and U.S. Department of Housing and Urban Development (“HUD”) approval, if required

(Item B2)

The incumbent janitorial services vendor for CHA's Administrative Facilities, Tidy International, Inc. closed its business abruptly December 22, 2006, without prior notice to the CHA. Tidy's cessation of services prior to expiration of their contract necessitated CHA engaging an interim vendor to provide janitorial services on an emergency basis at nine CHA Administrative facilities. The solicitation for Interim Janitorial Services was conducted on December 22, 2006 by a request for quotes to provide prices for these interim services. Three companies were directly solicited and the three companies responded. Total Facilities Maintenance was selected as lowest responsible, responsive bidder. Total Facilities agreed to prevent an interruption in services by beginning work promptly and by hiring former employees of Tidy International, Inc. who had previously worked at CHA Administrative Facilities, because they were most familiar with CHA janitorial service requirements and locations. Accordingly, the resolution for Item B2 approves ratification of contract with Total Facilities Maintenance.

RESOLUTION NO. 2007-CHA-6

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated January 8, 2007 entitled "Ratification of a Contract with Total Facilities Maintenance, Inc. for Interim Janitorial Services at Various CHA Administrative Facilities."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners ratifies the Chief Executive Officer or her designee entering into a contract with Total Facilities Maintenance, Inc. to provide interim janitorial services at various CHA Administrative Facilities, in an amount not-to-exceed \$187,242.52 for the base term of two months, and with an option to extend the contract for a one month period.

The Omnibus Motion to adopt resolutions for Items B1 and Item B2 was seconded by Commissioner O'Keefe and the voting was as follows:

Ayes:	Martin Nesbitt Hallie Amey Earnest Gates Dr. Mildred Harris Michael Ivers Bridget O'Keefe Carlos Ponce (Recused from voting on Item B1 only)
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Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Operations and Facilities Committee report was also accepted in total.

In the absence of Commissioner Young, Tenant Services Committee Chair, Commissioner Ivers presented the monthly report. Per Commissioner Ivers, the Tenant Services Committee Meeting was held on Wednesday, January 10, 2007 at 2:00 p.m. at the 626 Corporate Office. Andy Teitelman, Acting Deputy Managing Director of Resident Services presented the committee with an update on Family Self-Sufficiency and Choose-to-Own Programs.

Commissioner Ivers then introduced an Omnibus Motion for the adoption of Resolutions for Items C1 thru C4 discussed, voted and recommended for Board approval by the Tenant Services Committee.

(Item C1)

In 2006, the Board authorized an extension to BMT-1 LLC contract for the term of February 12, 2006 through February 11, 2007 to provide Community and Supportive Services (CSS) to families relocating to the Robert Taylor Mixed-Income community and also authorized an additional three one-year options. CSS have been specifically designed to address site specific criteria and the barriers a family may face in meeting the screening criteria. The provision of

CSS at the redeveloped Robert Taylor mixed-income community, contemplated as part of the competitive procurement of the Developer, is governed by the Master Development Agreement for this community. Under this agreement, the parties envisioned that BMT-1 would provide social services (through a subcontractor) and would receive financial assistance from the CHA as long as funding and contract performance allowed. Based upon the availability of funding and BMT-1's performance of the Contract to date, the CHA desires to extend the Contract for the first of the additional three one-year option terms. Accordingly, the resolution for Item C1 approves exercising a one year option with BMT-1 LLC.

RESOLUTION NO. 2007-CHA-7

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 8, 2007, entitled "Recommendation to authorize the exercising a one-year option to extend Contract No. 0576 with BMT-1, LLC to provide Community and Supportive Services to families relocating to the Robert Taylor Mixed-Income Community";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or her designee to exercise a one year option to extend Contract No. 0576 with BMT-1, LLC for the period of February 12, 2007 through February 11, 2008 to provide community and supportive services for CHA residents relocating to the Robert Taylor mixed-income community, and increase the not to exceed compensation amount by \$242,150.00 adding it to the carryover balance available at the end of the current contract term. The Contract's new aggregate not-to-exceed compensation amount will be \$2,161,416.00.

(Item C2)

Similar to Item C1, the Resolution for Item C2 approves an extension of contract with Eastlake Management for Community and Supportive Services (CSS) to assist CHA residents relocating to the Rockwell Gardens mixed income community. Although the one-year option is about to expire, the CHA plans to continue the provision of financial assistance to Eastlake to serve families for up to two years following the occupancy of units and provide continued support for families eligible for housing at Rockwell Gardens. The requested additional funding for the extension period will allow Eastlake to provide post-occupancy services to 57 families who moved to the redeveloped Rockwell Gardens. During the base term and first option year of the Contract, the Board of Commissioners authorized a total amount not to exceed \$761,150. It is anticipated that the full not-to-exceed amount authorized by the Board will not be spent by the end of this option year, and an additional amount not-to-exceed \$96,900 is required to provide CSS for the new extension term.

RESOLUTION NO. 2007-CHA-8

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated January 8, 2007, entitled "Authorization to extend Contract No. 5052 with Eastlake Management and Development Corporation to provide Community and Supportive Services to the Rockwell Gardens Community";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to extend Contract 5052 ("Contract") with Eastlake Management and Development Corporation to provide community and supportive services for CHA residents relocating to Rockwell Community Gardens for the period of March 18, 2007 through March 17, 2008, and to increase the Contract's not-to-exceed compensation amount by \$96,900.00 adding it to the carryover balance available at the end of the Contract's first option year. The Contract's aggregate not-to-exceed compensation amount will be \$858,050.00.

(Item C3)

As part of the Plan for Transformation, the CHA plans to build approximately 6,000 units of public housing in various mixed-income communities. Many of these communities have developed Tenant Selection Plans that dictate screening requirements that residents must meet before moving into the community. Several of the mixed-income communities include drug

testing as part of their requirements for move-in. Given the scarcity of drug treatment slots in substance abuse treatment programs in the City of Chicago and the long wait lists associated with them, the CHA has partnered with the Chicago Department of Public Health (CDPH), via Caritas Central Intake Unit (CI), to develop a program that will increase CHA residents' access to available slots in substance abuse treatment programs. In addition to assessment, referral, and treatment, CI offers residents access to complete physical and lab work through CI's network of primary health and public health care services, including psychiatric services. While this initiative targets CHA residents undergoing screening for mixed-income communities, CI also accepts referrals from the general CHA population for residents serviced under the CDHS Service Connector Intergovernmental Agreement. The resolution for Item C2 approves the exercise of the second one-year option of the Intergovernmental Agreement with CDPH, via CI, to continue this program.

RESOLUTION NO. 2007-CHA-9

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated January 8, 2007, entitled "Recommendation to authorize exercising the second one-year option to extend the intergovernmental agreement with the Chicago Department of Public Health for Assessment, Referral, and Treatment Services for Substance Abusers";

THEREFORE, BE IT RESOVLED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners authorizes the Chief Executive Officer or her designee to exercise the second one year option to extend the Intergovernmental Agreement with the City of Chicago acting through the Chicago Department of Public Health to continue a substance abuse assessment, referral and treatment program for CHA residents for FY2007, with CHA's costs for the program not-to-exceed \$250,000.00.

(Item C4)

The resolution for Item C4 approves the form of Tenant Selection Plan, Lease and Lease Riders to be used for ABLA replacement housing units in Phase II and subsequent phases of Roosevelt Square. Roosevelt Square Phase II will be comprised of 121 public housing, 56 affordable rental, seven CHA homeownership, 61 affordable homeownership and 177 market homeownership units. It is understood that the developer has an interest and desire to implement the tenant selection plan, lease and lease riders that were previously Board approved for Roosevelt Square Phase I in Phase II and subsequent phases to encourage consistent community standards for the effective management of Roosevelt Square Phase II. As a result, the Phase II lease documents contain only minor changes from the Phase I tenant selection plan, lease and lease riders. The criteria set forth in the lease documents were developed over the course of several months of discussions with the residents and elected representatives of ABLA, LR Development, Heartland Housing, and CHA staff. The public comment period was held February 9, 2004 – March 9, 2004 and the Roosevelt Square Phase I tenant selection plan, lease and lease riders were approved by the CHA Board of Commissions on April 20, 2004. Notice for the public comment period was given in accordance with applicable requirements and consideration was given to comments in finalizing the documents with the Developer and the owner entity.

RESOLUTION NO. 2007-CHA-10

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated January 8, 2007, entitled "Authorization for approval of a Tenant Selection Plan, Form of Lease, and Lease Riders for PHASE II and subsequent Phases of the Roosevelt Square (ABLA) Mixed-finance Redevelopment and Amendment of the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached tenant selection plan, form of lease, and lease riders for the public housing units at Phase II and subsequent phases of the Roosevelt Square mixed-finance redevelopment and hereby approves an amendment to the Chicago Housing Authority's Admissions and Continued Occupancy Policy to incorporate the approved tenant selection plans, form of lease, and lease riders as an addenda. The Chairperson of the

Board or the Chief Executive Officer is hereby authorized to approve any final changes in these lease documents, including changes based on HUD requirements and comments. Such approval shall constitute conclusive evidence of the Board’s approval of any and all such changes.

The Omnibus Motion to adopt resolutions for Items C1 thru C4 was seconded by Commissioner Gates and the voting was as follows:

Ayes: Martin Nesbitt
 Hallie Amey
 Earnest Gates
 Dr. Mildred Harris
 Michael Ivers (**Recused from voting on Item C3 only**)
 Bridget O’Keefe
 Carlos Ponce

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Tenant Services report was also accepted in total.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned.

S/B: Martin Nesbitt
 Chairperson

S/B: Lee Gill
 Custodian and Keeper of Records